

AMENDED IN SENATE APRIL 23, 2008

AMENDED IN SENATE MARCH 26, 2008

SENATE BILL

No. 1354

Introduced by Senator Torlakson

February 20, 2008

~~An act to amend Section 17070.63 of, and to add Section 17070.36 to, the Education Code, relating to school facilities. An act relating to school facilities.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 1354, as amended, Torlakson. School facilities: construction.

The Leroy F. Greene School Facilities Act of 1998 requires the State Allocation Board to allocate to applicant school districts, prescribed per-unhoused-pupil state funding for construction and modernization of school facilities, including hardship funding, and supplemental funding for site development and acquisition. The act requires the board annually to adjust the per-unhoused-pupil apportionment for new construction to reflect construction cost changes and for modernization to reflect inflation, as set forth in the statewide cost index for class B construction as determined by the board. A school district is required, as a condition of the receipt of funds, to certify that the grant amount and local funds are sufficient to complete the school construction project for which the grant is intended.

~~This bill would authorize a school district instead to certify to the board and State Department of Education that the amount of the state grant and local funds is insufficient to complete a school construction project that the department approved as a complete school. The bill would authorize the Superintendent of Public Instruction to develop a procedure by which a school district that certifies the state grant amount~~

~~and local funds are insufficient to build a complete school project would be required to demonstrate the need for additional state funding. The Superintendent would be required to conduct a postoccupancy project audit for educational adequacy. If the Superintendent concurs with the school district that funding is insufficient, the Superintendent would be required to provide notice to the State Allocation Board regarding the audit and the board would be required to include the notice on the agenda of the next scheduled board meeting. If the board concurs that funding is insufficient, it would be required to provide additional funding, as specified.~~

This bill would require the State Department of Education, within its existing resources, to evaluate current standards for the construction of school facilities and examine schools constructed or modernized under the Leroy F. Greene School Facilities Act of 1998 for the purpose of recommending revisions to current construction standards that may be necessary to ensure that the standards achieve educational adequacy and result in facilities that assist schools to meet state board adopted academic content standards, assessing the level to which schools constructed with state funding assistance meet current standards for educational adequacy, and comparing school facilities to examine characteristics that enable facilities to meet educational adequacy.

The department would be required to report its findings to the Legislature and the Governor by July 1, 2009.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. (a) *The State Department of Education shall*
- 2 *evaluate current standards for the construction of school facilities*
- 3 *and examine schools constructed or modernized under the Leroy*
- 4 *F. Greene School Facilities Act of 1998 (Chapter 12.5*
- 5 *(commencing with Section 17070.10) of Part 10 of Division 1 of*
- 6 *Title 1 of the Education Code). The purpose of the evaluation and*
- 7 *examination shall be all of the following:*
- 8 (1) *Recommend revisions to current construction standards that*
- 9 *may be necessary to ensure that the standards achieve educational*
- 10 *adequacy and result in facilities that assist schools to meet state*
- 11 *board adopted academic content standards.*

1 (2) *Assess the level to which schools constructed with state*
2 *funding assistance meet current standards for educational*
3 *adequacy.*

4 (3) *Compare school facilities to examine characteristics that*
5 *enable facilities to meet educational adequacy.*

6 (b) *The State Department of Education shall report its findings*
7 *to the Legislature and the Governor by July 1, 2009.*

8 (c) *The State Department of Education shall evaluate the*
9 *standards and examine schools as required pursuant to this section*
10 *within its existing resources.*

11 SECTION 1. ~~(a) The Legislature finds and declares all of the~~
12 ~~following:~~

13 ~~(1) The economic and social prosperity of the state relies on a~~
14 ~~public education system that is in tandem with the growth and~~
15 ~~needs of the state. The strength of the state economy and social~~
16 ~~fabrie is measured by a future citizenry and a workforce educated~~
17 ~~by the public schools and the ability of the workforce to compete~~
18 ~~globally.~~

19 ~~(2) The investment in the public school system should support~~
20 ~~a world-class education to nurture future competitive advantage.~~
21 ~~The state investment in schools includes funds for school~~
22 ~~construction and renovation conducive to academic achievement.~~

23 ~~(3) Californians overwhelmingly support the investment of~~
24 ~~public money in the public schools and have passed over \$56~~
25 ~~billion for school construction.~~

26 ~~(4) The Legislature and the Governor enacted the Leroy F.~~
27 ~~Greene School Facilities Act of 1998 (Chapter 12.5 (commencing~~
28 ~~with Section 17070.10) of Part 10 of Division 1 of Title 1 of the~~
29 ~~Education Code) to make building and renovating public schools~~
30 ~~more time efficient and cost effective by providing school facilities~~
31 ~~funding on a per-pupil basis and restoring the flexibility for public~~
32 ~~school districts to make local decisions to meet local needs.~~

33 ~~(5) It was the intent of the Legislature and the Governor, with~~
34 ~~the enactment of the Leroy F. Greene School Facilities Act of~~
35 ~~1998, to share equally the cost of building new schools with local~~
36 ~~communities.~~

37 ~~(6) The voters in approving Proposition 1A in 1998 believed~~
38 ~~that the state would provide half the cost of building new schools.~~

39 ~~(7) Over the last several years, studies were conducted by the~~
40 ~~state and other organizations to assess the level of school funding~~

1 provided by the state and local school districts. The studies show
2 that the current per-pupil grants do not provide fifty percent of
3 new school construction costs.

4 (b) Therefore, it is the intent of the Legislature to fulfill the
5 commitment of the state to the people of California when the
6 Legislature passed and enacted the Leroy F. Greene School
7 Facilities Act of 1998 to share an equal cost of building the
8 complete schools that will enable educators to provide a
9 world-class education and produce the citizenry and workforce of
10 the 21st century.

11 SEC. 2. Section 17070.36 is added to the Education Code, to
12 read:

13 17070.36.—(a) The Superintendent may develop a procedure
14 by which a school district that certifies, pursuant to Section
15 17070.63, that the state grant amount combined with local funds
16 is insufficient to build a complete school project would be required
17 to demonstrate the need for additional state funding, including,
18 but not limited to, the demonstration of any of the following:

19 (1) The school district has exercised diligence in value
20 engineering the project in order to reduce project costs.

21 (2) The school district has reviewed and considered deductive
22 alternates to reduce project costs.

23 (3) The school district cannot construct ancillary facilities or
24 support areas, including, but not limited to, multipurpose rooms,
25 libraries, gymnasiums, playfields or play areas, with the state grant
26 and required local match contribution.

27 (b) The Superintendent shall conduct a postoccupancy project
28 audit for educational adequacy. Upon completion of the project
29 audit, the department shall issue one of the following:

30 (1) A certification of compliance that the project was completed
31 as approved by the department and funded by the state.

32 (2) Notice to the board that the school district did not complete
33 the project as approved by the department and funded by the state,
34 whereby the board may rescind the additional funding provided
35 to the school district pursuant to paragraph (3) of subdivision (d)
36 of Section 17070.63.

37 SEC. 3. Section 17070.63 of the Education Code is amended
38 to read:

39 17070.63.—(a) The total funding provided under this chapter
40 shall constitute the state's full and final contribution to the project

1 and for eligibility for state facilities funding represented by the
2 number of unhoused pupils for which the school district is receiving
3 the state grant. As a condition of receipt of funds, a school district
4 may certify that the grant amount, combined with local funds, shall
5 be sufficient to complete the school construction project for which
6 the grant is intended or may certify that the grant amount, combined
7 with local funds, are insufficient to complete the school
8 construction project approved by the State Department of Education
9 as a complete school.

10 (b) Any funds provided to a school district under any article in
11 this chapter may not be counted towards the local match for receipt
12 of funds under any other article in this chapter.

13 (c) Any savings achieved by the district's efficient and prudent
14 expenditure of these funds shall be retained by the district in the
15 county fund for expenditure by the district for other high priority
16 capital outlay purposes.

17 (d) If a school district certifies, in accordance with subdivision
18 (a), that the funds received, combined with local funds, are
19 insufficient to complete the school construction project as approved
20 by the State Department of Education as a complete school, the
21 district shall provide written notice to the Superintendent of the
22 funding deficiency.

23 (1) Upon receipt of a notice by a school district pursuant to
24 subdivision (d), the Superintendent shall do the following:

25 (A) Evaluate the project pursuant to subdivision (a) of Section
26 17070.36.

27 (B) If the Superintendent concurs that the district has
28 demonstrated need pursuant to subdivision (a) of Section 17070.36,
29 the Superintendent shall provide a written recommendation and
30 notice to the board that the State Department of Education has
31 been notified that the state and local funds are insufficient to build
32 a complete school approved by the department.

33 (2) Within 30 days from the date the board received notice by
34 the Superintendent, the board shall include the notice from the
35 Superintendent on the agenda of the next scheduled board meeting.

36 (3) If the board concurs with the recommendation by the
37 Superintendent, the board shall take action within 60 days to ensure
38 that funding for the project, not to exceed 50 percent of the project
39 costs, as approved by the department, is provided to the district.
40 The board shall provide up to 100 percent of the project costs for

- 1 ~~school districts that qualify for hardship assistance pursuant to~~
- 2 ~~paragraph (1) of subdivision (b) of Section 17075.10.~~

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